APPENDIX.

COMPARISON OF TREATMENT OF CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD AND CHICAGO AND NORTH WESTERN RAILWAY.

	Milwaukee As of Dec. 31, 1938	North Western As of Dec. 31, 1938
OLD COMPANY		
Total Capitalization		
Debt	$508,047,413(4)	$371,381,465(5)
Stock		
Preferred	119,307,300(4)	22,395,000(5)
Common (no par, shown at $100 per share)	117,406,000(1)(4)	158,440,220(5)
	$744,760,713	$552,216,685
Fixed Interest Charges	23,739,279(9)	16,689,097(8)
Rate-making Value	$728,446,507(2)	$676,793,588(3)
REORGANIZED COMPANY (under I. C. C. plan)		
Total Capitalization	As of Jan. 1, 1939	As of Jan. 1, 1939
Debt	$224,037,950(4)	$222,078,460(6)
Stock		
Preferred	108,675,971(4)	106,996,076(6)
Common (no par, shown at $100 per share)	215,819,400(4)	120,899,773(6)
	$548,533,321(4)	$449,974,309(6)
Fixed Interest Charges	4,269,654(4)	3,382,079(6)
Normal Future Year Earnings	No finding by I.C.C.	$14,625,000(7)
Per Cent of Debt to Total Capitalization	40.8(4)	49.4

PRESENT COMPANY	Milwaukee	North Western
Income available for fixed charges (before income taxes) for year ending December 31, 1941	28,939,719	21,833,939
Disposition of available income by present debtor corporation	23,408,386	16,332,923
Balance for dividends on stock	5,531,333	5,501,016
Dividends on preferred stock @ 5%, and of North Western @ 7%	5,965,365	1,567,650
Available for common stock	(def) 434,032	3,933,366
REORGANIZED COMPANY—With no change in tax basis		
Income available for fixed charges (before income taxes)	28,939,712	21,833,939
Normal income tax	5,086,227	2,138,237
Available income after income and excess profits taxes	23,853,485	19,695,702
DISPOSITION OF AVAILABLE INCOME (after income and excess profits taxes)	12,532,528	13,000,229
Net available for stock	11,320,957	6,695,473
Dividends on preferred stock—5%	5,433,798	5,349,804
Balance available for dividends on common stock	5,887,159	1,345,669

NOTE: Data shown as to earnings of Debtor, Chicago and North Western, for the year 1941 and disposition of such income is shown in statement filed with the United States Circuit Court of Appeals on February 4, 1942, over the certificate of A. R. Seder, General Auditor, of Debtor's Accounting Department. Data as to the earnings of the Milwaukee for 1941 was furnished by the comptroller of the Milwaukee and is not a matter of record in the Milwaukee proceedings, there is, however, of record a monthly statement of the results of operation in that record for the various months January to November, 1941, inclusive. Counsel for Debtor has made the computations as to disposition of income of the Milwaukee shown in the above table and believes them to be correct.

(1) Not including Terre Haute capital stock.

(2) As at June 30, 1935, taking I. C. C. values found in 1915, 1916, and 1918, of $621,338,759 and adding additions and betterments adjusted for depreciation at stated rates. This is the combined common-carrier properties, including Terre Haute. See Appendix to Report of Commission.

(3) As at December 31, 1935.

(4) Source: Appendix to Report of Commission.

(5) Tr. 3677 (6) Tr. 3676

(7) Tr. 3518; $3,220,271 of which would be derived from extensive improvement of facilities and operating methods.

(8) Interest requirements of securities in hands of public as of January 1, 1939, are $16,546,819. (Tr. 3521-4)

(9) Report of Commission: Record in this Court on Milwaukee petition for writs of certiorari, Docket Nos. 875-883.—Tr. 2174.